



**Background on Section 912
of the
FY98 Defense Authorization Act**

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February 17, 1999



FY-98 National Defense Authorization Act, Section 912

Requires SECDEF to:

- **Section 912(a)**

- Reduce the acquisition workforce by 25,000 . . .
- Population to be cut defined as military and civilian personnel . . .
- The President's Budget plans for a 12,500 reduction in the acquisition workforce in FY98
- The USD(P&R) has the lead for implementing Section 912(a) . . .

- **Section 912(b)**

- Provide a report 30 days after enactment of the Act (18 Dec 97) on the specific acquisition positions eliminated since 1989. Report complete.

- **Section 912(c)**

- Provide a report from SECDEF by 1 Apr 98 with a plan to streamline the acquisition organizations, workforce and infrastructure of the Department, and a request for legislation if necessary to effect the plan submitted



FY-98 National Defense Authorization Act, Section 912

Requires SECDEF to:

- **Section 912(d)**

- Conduct a review of acquisition organizations and functions and identifies 14 specific areas which must be addressed.

- **Section 912(e)**

- Require the Defense Reform Task Force to conduct a similar study to that required in 912(d).
- The Task Force had completed its task and was disestablished by the time the legislation became law. HNSC staffers understand and agreed that a DSB Sub-Task Force would accomplish what they had in mind.
- Action taken: a DSB Sub-Task Force was established to conduct the review per Section 912(c) and (d). It included Senior Military and Civilian Executives from Acquisition, Logistics, Comptroller, PA&E, JCS as advisors in support of effort.



Section 912 (c) Report to Congress

“My vision of the acquisition workforce 10 years from now...smaller and in fewer organizations; ... focused on managing suppliers, rather than supplies; and focused on the total cost of ownership ...”

“... a workforce that is engaged primarily in working with the Services to determine affordability of requirements; helping to establish and execute budgets; working to reduce cycle times; establishing contractual vehicles ...; overseeing contracts ...; and, all the while, ensuring the public’s trust and confidence.”

<http://www.acq.osd.mil/ar/912crpt.htm>



912(c) Study Group Taskings

- ✓ Examine ways to establish joint command, control, and communication integrated system development process (focusing on developing a joint architecture to guide design)
- ✓ Develop an implementation plan to streamline the science and technology, engineering and test and evaluation infrastructure
- ✓ Determine how to implement reengineered product support practices in DoD
 - Determine policy changes needed to establish Program Manager oversight of life-cycle support
 - Determine how to implement a price-based approach to acquisition
 - Determine improvements to the requirements generation system to enhance integration with the acquisition management system
 - Implement a plan for training and tools that focus on acquiring services
 - Develop a program specifically directed at providing training on commercial transactions (e.g., commercial pricing, commercial financing, commercial terms and conditions, joint ventures)
 - Analyze the policies that might be employed to ensure the Department's RDT&E organizations have access to the highest quality scientific and engineering workforce

Deferred Studies: 1) future workforce skills

2) evaluate cross-service restructuring of test and evaluation facilities and test ranges



Emerging Results

- **PM Oversight of Life Cycle Support - Emerging Results**
 - 30 Pilots identified by Services/ 10 Pilots selected to report to Congress
 - Management actions identified for each pilot
- **Price-based Acquisition - Emerging Results**
 - Price-based acquisition can be implemented to some extent
 - There will be times when cost information is needed
- **Requirements/Acquisition - Emerging Results**
 - Develop additional mission area analysis
 - Support evolutionary acquisition
 - Define interoperability by mission area
 - Implement cost/schedule as key parameters
- **Training and Tools for Acquisition of Services - Emerging Results**
 - Design of performance based course - output oriented/ provides tools & strategies
 - Training: team-based/multi-functional/tailored
- **Training for Commercial Business Environment**
 - Pilot programs developed with: NCMA/NAPM; UVA Darden School of Business Executive Education Program; Electronic Performance Support Systems
- **Technical Workforce - Emerging Results**
 - Peer reviews/customer feedback/publications
 - On the spot hiring authority/bonuses/incentives
 - Improved mentoring/professional growth/assess individual needs
 - Manage to budget/link compensation to budget



DoN Representatives

Section 912 Study Topic	Charter Approval Date	Study Group Leaders	DON Study Group Members (Command)	Assigned Completion Date
C3 Integration & Acquisition	8/13/98*	Mr. John Buchheister (ASD(C3I))		12/1/98
	IPR		Senior Steering Group Member	
	30 Nov 98		RADM Gauss (SPAWAR)	Final Brief
	29 Mar 99		Wkg Grp: CAPT Craig Madsen (SPAWAR)	Held
			Mr. Bob Knetl (SPAWAR)	
RDT&E Infrastructure	8/17/98	Dr. Lance Davis (DDR&E/D) Dr. Pat Sanders (TSE&E)		4/1/99
	IPR		Mr. Gerry Schieffer (ASN(RDA))	
	12 Jan 99		Mr. George Ryan (N-091)	
	12 Mar 99		Mr. Dick Metrey (NSWC Carderock)	
PM Life Cycle Management	8/28/98	Mr. Bob Leach (Dir, API)		2/26/99
	IPR		Ms. Eileen Roberson (ASN(RDA)-ARE)	
	22 Jan 99		Mr. Ed Greer (PMA-271)	
			Mr. Floyd Ryan (PEO(TAD&SC))	
10 pilot programs due to Congress by 1 Feb 99			Ms. Connie Clavier (PMS-317L)	
			Mr. Willie Jones (NAVSEALOGCEN)	
			CDR Ed Rule (OASN(RDA)-PPR)	
			Mr. Charles Borsch (N-432)	
Reengineered Product Support	9/17/98	Mr. Randy Fowler (DUSD(L))		3/1/99
	IPR		Mr. Mike Howard (PMS-210L)	
	30 Nov 98		Mr. Cliff Mitchell (PMS-303L)	
	20 Jan 99		CDR Brad Bellis (N-412)	
	4 Feb 99		Mr. Charles Borsch (N-432)	



DoN Representatives (cont'd)

Section 912 Study Topic	Charter Approval Date	Study Group Leaders	DON Study Group Members (Command)	Assigned Completion Date
Analyze Implementation of Price-based Acquisition	10/15/98	Mr. Bill Stussie (DASN(AIR))		3/1/99
	IPR		Ms. Elaine Duke (SEA-02C)	
Dialogue w/Industry 15 Dec 98	8 Dec 98		Mr. Mike Davis (PEO SUB)	
Summary report 21 Dec 98	21 Jan 99		Ms. Dina Hyde (AIR 2.4)	
	1 Mar 99		LCDR Steve Dollase (AIR 2.2.3.2)	
Requirements Generation to Fulfill Future Acquisition Needs	11/16/98	Dr. Georae Schneider (USD(A&T)) BGen Cartwright (VCJCS)		2/26/99
	IPR		Mr. Irv Blickstein (N-8B)	
	15 Dec 98		Mr. Brian Persons (Deputy PEO Carriers)	
	5 Feb 99		Mr. Mike Roberts (ASN(RDA)-ARO)	
			LCDR Rafael Matos (N-810)	
			Mr. Pete Biesada (ASN(RDA)-PPR)	
			Mr. Jack Cameron (PMS-308)	
Training for Service Contracting	10/19/98	BGen Anderson (SAF/AQC)		3/1/99
	IPR		Mr. Bill Mackinson (N-43)	
	11 Dec 98		Mr. Robert Johnson (ASN(RDA)-ABM)	
Training for Commercial Business Environment	11/12/98	Mr. Bill Mounts (DUSD(AR))		3/1/99
	IPR		Mr. Elliott Branch (ASN(RDA)-ABM)	
	11 Dec 98			
Recruitment & Retention of Technology leaders	9/22/98	Dr. Lance Davis (DDR&E) Dr. Diane Disney (USD(P&R))		4/1/99
	IPR		Ms. Cathy Clark (ASN(MR&A))	
	10 Dec 98		Mr. Skip Lackie (ONR-00V)	
	23 Feb 99			